



U.S. Department of Justice

Terrence Berg  
United States Attorney  
Eastern District of Michigan

***Suite 2001  
211 West Fort Street  
Detroit, Michigan 48226-3277***

**For Immediate Release:**

**Contact: Gina Balaya (313) 226-9758  
Sandra Berchtold (313) 237-4218**

**Oct 15, 2009**

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**Event: Indictment**

**Defendant: Xiang Dong Yu (aka Mike Yu)**

### **Chinese National Charged With Stealing Ford Trade Secrets**

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A federal Indictment was unsealed late yesterday in Detroit charging Xiang Dong Yu, aka Mike Yu, 47, of Beijing, China, with theft of trade secrets, attempted theft of trade secrets and unauthorized access to a protected computer, announced Terrence Berg, United States Attorney for the Eastern District of Michigan. Yu was arrested on October 14, 2009 at the Chicago O'Hare International Airport upon entering the United States from China. Berg was joined in the announcement by Andrew G. Arena, Special Agent in Charge of the FBI.

According to the indictment, Yu was a Product Engineer for the Ford Motor Company from 1997 to 2007 and had access to Ford trade secrets, including Ford design documents. In December 2006, Yu accepted a job at the China branch of a U.S. company. The indictment alleges that on the eve of his departure from Ford and before he told Ford of his new job, Yu copied some 4,000 Ford documents onto an external hard drive, including sensitive Ford design documents. Included in those documents were system design specifications for the Engine/Transmission Mounting Subsystem, Electrical Distribution system, Electric Power

Supply, Electrical Subsystem and Generic Body Module, among others. Ford has spent millions of dollars and decades on research, development, and testing to develop and continuously improve the design specifications set forth in these documents. The indictment also alleges that Yu took Ford design documents to China in July 2005 in conjunction with his efforts to obtain employment with a Chinese automotive company. Lastly, the indictment alleges that Yu used stolen Ford documents in an effort to secure employment with a Chinese automotive company in 2008.

United States Attorney Terrence Berg said, "Protecting the competitive edge technology of our companies through vigorous enforcement of our federal trade secret laws is a top priority of this office. Both employees and employers should be aware that stealing proprietary trade secrets to gain an economic advantage is a serious federal offense that will be prosecuted aggressively."

Special Agent Arena stated, "Michigan, as well as the rest of the United States, is significantly impacted by the auto industry. Theft of trade secrets is a threat to national security and investigating allegations involving theft of trade secrets is a priority for the FBI. The FBI will continue to aggressively pursue these cases."

Yu remains in federal custody in Chicago where he is scheduled to have a detention hearing on Tuesday, October 20, 2009 at 1:00 p.m..

Each of the theft and attempted theft of trade secrets counts carries a maximum penalty of ten years' imprisonment and a \$250,000 fine. The count charging unauthorized access to a protected computer carries a maximum penalty of five years' imprisonment and a \$250,000 fine.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

The indictment is a result of an investigation conducted by the Federal Bureau of

Investigation. This case is being prosecuted by Assistant U.S. Attorney Cathleen Corken.